

HOUSE BILL No. 6011

April 27, 2006, Introduced by Reps. Ward, Stahl, Stakoe, Vander Veen, Huizenga, Taub, Bieda, Sheltroun, Mortimer, Elsenheimer, Ball, Moore, Gaffney, Brandenburg, Casperson, Marleau, Gosselin, Farhat, Kahn, Walker, Caul, Wenke and Van Regenmorter and referred to the Committee on House Oversight, Elections, and Ethics.

A bill to amend 1978 PA 472, entitled

"An act to regulate political activity; to regulate lobbyists, lobbyist agents, and lobbying activities; to require registration of lobbyists and lobbyist agents; to require the filing of reports; to prescribe the powers and duties of the department of state; to prescribe penalties; and to repeal certain acts and parts of acts,"

by amending section 8 (MCL 4.418), as amended by 1994 PA 412.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8. (1) A lobbyist or a lobbyist agent shall file a signed
2 report in a form prescribed by the secretary of state under this
3 section. A report shall be filed on January 31 covering the
4 calendar year ending on the immediately preceding December 31, and
5 on August 31 covering the immediately preceding December 31 to July
6 31. A report shall be filed by a lobbyist or for the lobbyist by
7 the lobbyist agent who acts on behalf of the lobbyist, and the

1 lobbyist agent who acts on his or her own behalf. A lobbyist or a
2 lobbyist agent may request from the secretary of state an extension
3 of the deadline for filing the report for a period not to exceed 60
4 days. The secretary of state shall respond in writing to the
5 request, either approving or disapproving the request, and if
6 approval is granted, **INDICATING** the period of the extension, not
7 later than 9 days after receipt of the request. A lobbyist or
8 lobbyist agent may file an amended report within 1 year after the
9 date the report is required to be filed, including an extension
10 period. The report shall be on a prescribed form and shall include
11 the following information:

12 (a) A statement updating to the end of the reporting period
13 the information required to be filed under section 7.

14 (b) An account of expenditures made by a lobbyist, lobbyist
15 agent, or representative of a lobbyist. The expenditures shall be
16 reported by category, with the report showing the total amount
17 expended in each category during the preceding reporting period and
18 the cumulative amount expended in each category for the current
19 year from January 1 through the month covered by the report.

20 Expenditures shall be reported in the following categories:

21 (i) Expenditures for food and beverage provided for public
22 officials as specified in subsection (2).

23 (ii) Advertising and mass mailing expenses directly related to
24 lobbying.

25 (iii) Other expenditures for lobbying made or incurred by a
26 lobbyist, a lobbyist agent, or an employee of a lobbyist or
27 lobbyist agent, other than expenditures for lobbying made or

1 incurred by a lobbyist, a lobbyist agent, or an employee of a
2 lobbyist or a lobbyist agent of less than \$5.00 made for goods or
3 services for which a receipt or proof of purchase is not normally
4 available.

5 (c) An account of every financial transaction during the
6 immediately preceding reporting period between the lobbyist or
7 lobbyist agent, or a person acting on behalf of the lobbyist or
8 lobbyist agent, and a public official or a member of the public
9 official's immediate family, or a business with which the
10 individual is associated, in which goods and services having value
11 of at least \$775.00, or **ANY** travel and lodging expenses paid for or
12 reimbursed to a public official in connection with public business
13 by that public official, ~~in excess of \$500.00,~~ are involved. The
14 account shall include the date and nature of the transaction, the
15 parties to the transaction, and the amount involved in the
16 transaction. This subdivision does not apply to the following:

17 (i) A financial transaction in the ordinary course of the
18 business of the lobbyist, if the primary business of the lobbyist
19 is other than lobbying, and if consideration of equal or greater
20 value is received by the lobbyist.

21 (ii) A financial transaction undertaken in the ordinary course
22 of the lobbyist's business, in which fair market value is given or
23 received for a benefit conferred.

24 (d) A brief description of the lobbying activities engaged in
25 during the previous reporting period.

26 (e) In the case of travel and lodging expenses described in
27 subdivision (c), the lobbyist or lobbyist agent shall prepare a

1 separate document detailing the expenditure required to be
2 reported. The lobbyist or lobbyist agent shall send, simultaneously
3 with the filing of the report to the secretary of state, a copy of
4 the document to the affected legislator.

5 (2) Expenditures for food and beverage provided a public
6 official shall be reported. ~~if the expenditures for that public~~
7 ~~official exceed \$25.00 in any month covered by the report or~~
8 ~~\$150.00 during that calendar year from January 1 through the month~~
9 ~~covered by the report.~~ The report shall include the name and title
10 or office of the public official and the expenditures on that
11 public official for the months covered by the report and for the
12 year. If more than 1 public official is provided food and beverage
13 and a single check is rendered, the report may reflect the average
14 amount of the check for each public official. If the expenditures
15 are a result of an event at which more than 25 public officials
16 were in attendance, are a result of an event to which an entire
17 standing committee of the legislature was invited in writing to be
18 informed concerning a bill that was assigned to that standing
19 committee, or are a result of an event to which an entire caucus of
20 either house of the legislature was invited in writing, a lobbyist
21 or a lobbyist agent shall report the total amount expended on the
22 public officials in attendance for food and beverage and is not
23 required to report the amount expended on the public officials
24 individually. In reporting those amounts, the lobbyist or lobbyist
25 agent shall file a statement providing a description by category of
26 the persons in attendance and the nature of each event or function
27 held during the preceding reporting period.

1 (3) A person who, without good cause, fails to report under
2 subsection (1) shall pay a late filing fee of \$10.00 for each day
3 the report remains not filed in violation of subsection (1), not to
4 exceed \$300.00. A person who without good cause is in violation of
5 subsection (1) more than 30 days is guilty of a misdemeanor,
6 punishable by a fine of not more than \$1,000.00.

7 (4) If a lobbyist agent employs another lobbyist agent to
8 engage in lobbying, the activities of the employee lobbyist agent
9 shall be reported by the employer lobbyist agent under this
10 section.

11 (5) Within a reasonable time after receipt of a request from
12 an elected public official in regard to a report of a lobbyist or a
13 lobbyist agent, the secretary of state shall report to the elected
14 public official on any reported activity by the lobbyist or
15 lobbyist agent in that report, and shall notify the elected public
16 official of the specific occurrence and the specific nature of the
17 reported activity.

18 (6) The secretary of state shall preserve statements and
19 reports filed under this act for 5 years after filing. The
20 statements and reports may be reproduced pursuant to the records
21 media act. After the required preservation period, the statements
22 and reports, or the reproductions of the statements and reports,
23 other than those necessary to complete an investigation by the
24 attorney general or pertinent to a matter being adjudicated in a
25 court of law, shall be destroyed.